



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

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Vehicle Maintenance Facility Efficiency – Capital Metro and Pacific Areas

Report Number DR-AR-13-007

BACKGROUND:

The vehicles owned by the U.S. Postal Service represent a capital investment of nearly \$3.5 billion. The fleet is maintained using the vehicle maintenance program at 321 Postal Service vehicle maintenance facilities that service over 215,530 vehicles. They also contract with commercial garages throughout the country for maintenance and repair.

The vehicle maintenance program mission is to ensure safe, dependable, and economical performance of vehicles owned by the Postal Service. The maintenance facilities must meet maintenance and repair service requirements, as well as be cost efficient and limit vehicle downtime. The Postal Service established performance indicators to gauge the effectiveness and efficiency of overhead and workload management at the maintenance facilities. In fiscal year 2012, Capital Metro and Pacific areas vehicle maintenance expenses were \$148,974,513 and \$97,466,067, respectively.

Our objective was to assess the overall efficiency of vehicle maintenance facility operations in the Capital Metro and Pacific areas at selected facilities.

WHAT THE OIG FOUND:

Vehicle maintenance facility operations in eight of 16 districts in the Capital Metro and Pacific areas were not operating at peak efficiency. Facilities operated below the scheduled maintenance national average of

72 percent at 64 and 67 percent, respectively; and exceeded unscheduled maintenance by 10 and 7 percent, respectively. The Capital Metro and Pacific areas also exceeded overhead labor costs by 13 and 19 percent, respectively and the Capital Metro Area exceeded vehicle operations' maintenance assistant support workhours estimate by 29,887 workhours. These conditions occurred because performance indicators had not been appropriately modified, the vehicle fleet was aging, there were mechanic and support staff vacancies and a lack of management oversight. We will address performance indicators and aging of the fleet in ongoing and future work. Reducing unscheduled maintenance costs and improving oversight would increase overall efficiency in these areas, saving the Postal Service over \$17 million.

WHAT THE OIG RECOMMENDED:

We recommended the vice presidents, Capital Metro and Pacific Area Operations, direct district managers fill vacant mechanic and support staff positions to improve inefficiencies in operations. Further, we recommended the vice president, Capital Metro Area Operations, assess the reporting structure for vehicle operations maintenance assistants and require vehicle maintenance managers, or designees, to provide adequate oversight to ensure they perform their vehicle maintenance-related duties.